

HOUSE BILL NO. 496

INTRODUCED BY E. FRANKLIN

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE INCLUSION OF VACANCY SAVINGS IN THE BUDGET FOR ENUMERATED STATE FACILITIES; DEFINING "VACANCY SAVINGS"; AMENDING SECTIONS 17-7-123 AND 17-7-131, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 17-7-123, MCA, is amended to read:

"17-7-123. Form of executive budget. (1) The budget submitted must set forth a balanced financial plan for funds subject to appropriation and enterprise funds that transfer profits to the general fund or to accounts subject to appropriation for each accounting entity and for the state government for each fiscal year of the ensuing biennium. The base level plan must consist of:

(a) a consolidated budget summary setting forth the aggregate figures of the budget in a manner that shows a balance between the total proposed disbursements and the total anticipated receipts, together with the other means of financing the budget for each fiscal year of the ensuing biennium, contrasted with the corresponding figures for the last-completed fiscal year and the fiscal year in progress. The consolidated budget summary must be supported by explanatory schedules or statements.

(b) budget and full-time equivalent personnel position comparisons by agency, program, and appropriated funds for the current and subsequent biennium;

(c) the departmental mission and a statement of goals and objectives for the department;

(d) base budget disbursements for the completed fiscal year of the current biennium, estimated comparable disbursements for the current fiscal year, and the proposed present law base budget plus new proposals, if any, for each department and each program of the department;

(e) a statement containing recommendations of the governor for the ensuing biennium by program and disbursement category, including:

(i) explanations of appropriation and revenue measures included in the budget that involve policy changes;

(ii) matters not included as a part of the budget bill but included as a part of the executive budget, such

as the state employee pay plan, programs funded through separate appropriations measures, and other matters considered necessary for comprehensive public and legislative consideration of the state budget; and

(iii) a summary of budget requests that include proposed expenditures on information technology resources. The summary must include funding, program references, and a decision package reference;

(f) a report on:

(i) enterprise funds not subject to the requirements of subsections (1)(a) through (1)(e), including retained earnings and contributed capital, projected operations and charges, and projected fund balances; and

(ii) fees and charges in the internal service fund type, including changes in the level of fees and charges, projected use of the fees and charges, and projected fund balances. Fees and charges in the internal service fund type must be approved by the legislature in the general appropriations act. Fees and charges in a biennium may not exceed the level approved by the legislature in the general appropriations act effective for that biennium.

(g) any other financial or budgetary material agreed to by the budget director and the legislative fiscal analyst.

(2) The statement of departmental goals and objectives and the schedule for each fund required in 17-7-111(3)(b) of the executive budget are not required to be printed but must be available in the office of budget and program planning and on the internet.

(3) (a) The budget submitted may not require or assume vacancy savings to the state resulting from periodic employment vacancies in the following state facilities:

(i) the Montana school for the deaf and blind;

(ii) the Pine Hills youth correctional facility;

(iii) the Montana developmental center;

(iv) the Montana mental health nursing care center;

(v) the Montana veterans' homes;

(vi) the Montana women's prison; and

(vii) the Montana state prison.

(b) For purposes of subsection (3)(a), "vacancy savings" means the difference between the cost of fully funding authorized positions for an entire fiscal year and the actual cost of those authorized positions during that period."

1 **Section 2.** Section 17-7-131, MCA, is amended to read:

2 **"17-7-131. Legislative action -- ending fund balance.** (1) The presiding officers of the house of
3 representatives and of the senate shall promptly refer the budgets and budget bills to the proper committees.
4 The budget bill for the maintenance of the agencies of state government and the state institutions must be based
5 upon the budget and proposed budget bill submitted at the request of the governor. The legislature may amend
6 the proposed budget bill, but it may not amend the proposed budget bill so as to affect either the obligations of
7 the state or the payment of any salaries required to be paid by the constitution and laws of the state.

8 (2) The adopted budget must be limited so that a positive ending general fund balance exists at the end
9 of the biennium for which funds are appropriated.

10 (3) (a) The adopted budget may not require or assume vacancy savings to the state resulting from
11 periodic employment vacancies in the following state facilities:

12 (i) the Montana school for the deaf and blind;

13 (ii) the Pine Hills youth correctional facility;

14 (iii) the Montana developmental center;

15 (iv) the Montana mental health nursing care center;

16 (v) the Montana veterans' homes;

17 (vi) the Montana women's prison; and

18 (vii) the Montana state prison.

19 (b) For purposes of subsection (3)(a), "vacancy savings" means the difference between the cost of fully
20 funding authorized positions for an entire fiscal year and the actual cost of those authorized positions during that
21 period."

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23 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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